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GUAM

Working paper prepared by the Secretariat

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GUAM 1/

I. GENERAL

1. Guam, a Non-Self-Governing Territory administered by the United States of America, is the southernmost and largest island of the Mariana archipelago. The island is 48 kilometres long, ranges from 8 to 14 kilometres in width and has a total land area of 540 square kilometres. Guam lies about 2,400 kilometres east of Manila. Agana is the capital city.

2. Guam is composed of two distinct geological areas of about equal size. The northern part of the island is a high coralline limestone plateau and contains the northern water lens, capable of supplying fresh water far in excess of the Territory's present needs. The southern region is mountainous. Apra Harbour, which is located on the central western side of the island, is one of the largest protected harbours in the Pacific and is considered to be the finest deep water port between Hawaii and the Philippines. 2/

3. In 1521, the explorer Ferdinand Magellan, sailing under the Spanish flag, reached Guam during his circumnavigation of the globe. Later, in 1565, Spain claimed Guam and the rest of the Mariana Islands, but did not begin colonization until 1668, when the native Chamorro population of the Mariana archipelago was estimated at 50,000. As a result of harsh treatment by the colonizers and the introduction of new diseases, the Chamorros were reduced to less than 2,000 by 1700. Following its defeat in the Spanish American War in 1898, Spain ceded Guam to the United States.

4. Guam was under the administration of the United States Navy from 1899 to 1950, except for a period during the Second World War when the island was occupied by Japan.

5. In accordance with the 1950 Organic Act of the United States Congress, Guam became an unincorporated Territory. Administration of the Territory was transferred to the Department of the Interior.

6. Guam's population is growing at an accelerating rate, increasing from 105,979 in 1980 to an estimated 133,152 in 1990, or by 26 per cent. 3/ According to the most recent information, Guam's population rose to 136,226 in 1991. 4/ If the current rate of growth remains constant, the Territory's population will double by the year 2010. 3/ Population density is about 235 per square kilometre, much higher than the average in the United States. Of the total inhabitants, 21,173 are United States military personnel and their dependants. 5/ Exclusive of military personnel, about 43 per cent of the inhabitants, or 57,648 persons, are Chamorros or part Chamorro, an increase of 20 per cent or 9,803 persons, between 1980 and 1990 although its proportion of the population fell by 2 per cent; 22 per cent or 30,043 persons are Filipinos; 15 per cent migrated from the United States mainland; and 13 per cent are Korean, Chinese, Japanese, Micronesian and Indian. 6/

7. At its 642nd meeting, on 1 May 1992, the Subcommittee on Small Territories, Petitions, Information and Assistance of the Special Committee was provided additional information by the Organization of People for Indigenous Rights with

regard to the ethnic composition of Guam. The same organization provided additional information on the subject to the Fourth Committee at its 3rd meeting, on 13 October 1992. 7/

8. The organization drew attention to the 1990 Census of Population and Housing: Social, Economic and Housing Characteristics - Guam, according to which over half the population was not born in the Territory and, of that proportion, 63 per cent had arrived after 1985. 8/ The organization expressed concern that the Chamorro population was becoming a minority owing to the continued application to Guam of federal immigration regulations. 9/

9. According to press reports, the Chamorro Nation, an activist group, has stepped up its campaign to end immigration to Guam. A spokesman for the indigenous rights group said that the United States Government had been allowing thousands of immigrants into Guam so that the indigenous Chamorros would become a minority in their own land. Immigration is currently controlled by Washington, but a proposed agreement would transfer authority to Guam officials, allowing them to curtail immigration. 10/

10. Approximately 1,300 more United States Navy personnel and their dependants, a total of 2,500 persons, were expected to move to Guam during 1992 as a result of the closing of the Subic Bay Naval Base and Cubi Point Naval Air Station in the Philippines. 11/ It will be recalled that in 1989, approximately 1,300 military personnel were moved from Guam owing to the closure of the B-52 base at Anderson Air Force Base. With the expected redeployment, the total number of military personnel in the Territory would return to the 1989 level.

II. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. General

11. As provided for by the Organic Act of 1950, the Government of Guam consists of separate executive, legislative and judicial branches.

12. Universal adult suffrage with respect to local elections applies to Guamanians 18 years and older. As Guamanians are nationals rather than citizens of the United States, they are not eligible to vote in the United States presidential elections while resident in the Territory.

13. Since 1972, the Territory has had a non-voting delegate in the United States House of Representatives. In December 1992, the House enacted legislation extending limited voting privileges to territorial delegates. The United States Constitution limits full voting rights to members of Congress who represent constituencies in the United States. Votes of territorial delegates will not be counted if they are the determining factors in passing legislation. 12/

14. In elections held in November 1992, the Democratic Party candidate Mr. Robert Underwood, a Chamorro college professor, defeated the incumbent Republican Party candidate, Mr. Ben Blaz, by 17,911 votes to 14,522. 13/

Executive

15. Executive power is vested in a Governor who, together with a Lieutenant-Governor, is elected for a term of four years. The Governor is responsible for the general supervision and control of the executive branch and submits to the Secretary of the Interior an annual report on the transactions of the Territory's Government for transmission to Congress. The Governor may issue executive orders and regulations, recommend bills to the Legislature, make his views known to that body and veto legislation. In 1990, Governor Joseph F. Ada (Republican) was re-elected for a second term.

Legislature

16. Legislative power is vested in a unicameral body composed of 21 senators elected by legislative districts for two-year terms. The Legislature may override the Governor's veto.

17. Under the Organic Act of 1950, the United States Congress reserves the authority to annul any law enacted by the Guam Legislature.

Judiciary

18. The Federal District Court of Guam has jurisdiction over all cases arising under the United States Constitution, as well as under United States treaties and laws. The Superior Court of Guam handles cases arising under the laws of Guam.

19. In January 1993, Guam enacted legislation to create a Supreme Court of Guam. According to the Organic Act, which enables the Legislature to enact laws to establish a high court, the Ninth Circuit Court will monitor the decisions of Guam's Supreme Court for 15 years. Guam's Legislature states that it does not agree with the probation provision. A spokesman for the Superior Court of Guam stated that establishment of a high court on Guam would allow cases that had been charged and tried under local law to be reviewed by justices who were familiar with local laws, customs, values and mores of the community. 14/

20. On 14 April 1992, the United States Court of Appeals for the Ninth Circuit affirmed the ruling of a federal district court which declared a territorial law on abortion unconstitutional. The statute outlawed the procedure except to save a woman's life or prevent grave injury. The unanimous decision by the three-judge panel of the Court of Appeals upheld the ruling of the federal district judge who had blocked the law's enforcement in March 1990, four days after it took effect. On 30 November 1992, the United States Supreme Court, by a vote of 6 to 3, refused to review the appeals ruling of the Ninth Circuit Court. 15/

B. Future political status

21. In a political status referendum held on 30 January 1982, Guamanian voters were asked which of the following seven alternatives they would prefer as "the ultimate goal of the Territory of Guam": (a) statehood; (b) independence;

(c) free association; (d) the status of incorporated Territory (i.e., with a local constitution); (e) commonwealth status; (f) the status quo; or (g) other.

22. Commonwealth status received 4,914 votes (49.5 per cent), just short of a simple majority, followed by statehood, 2,547 votes. The majority of voters in every village on the island opted for commonwealth status.

23. In a run-off referendum held in September 1982, a large majority of Guamanian voters expressed preference for commonwealth status. Subsequently, in February 1984, the Guam Legislature established an eight-member Commission on Self-Determination to prepare a draft commonwealth agreement which, if acceptable to the people, would be submitted to the United States Congress for consideration.

Draft Commonwealth Act

24. In May 1986, the Commission on Self-Determination completed a draft Commonwealth Act, which, after a public-education campaign, was submitted to an article-by-article vote on 8 August 1987. Thirty-nine per cent of the 35,846 registered voters participated. They approved 10 of the 12 articles by majorities ranging from 51 to 61 per cent and rejected articles 1 and 7 by small margins.

25. Article 1, which spelled out the envisaged political relationship between the United States and Guam, also contained provisions that would recognize the Chamorro people (defined as those born on Guam before 1 August 1950 and their descendants) as a distinct group with certain privileges. Article 7 would transfer control over immigration from the federal Government to Guam.

26. A second vote on articles 1 and 7, as revised by the Commission on Self-Determination, was held on 7 November 1987 and brought out 20,000 voters, or 56 per cent of all those registered. Each article was approved by about 11,400 votes, notwithstanding continuing criticism that the articles still contained provisions that were actually or potentially discriminatory and were thus contrary to the United States Constitution.

27. The major provisions of the draft Commonwealth Act may be summarized as follows: Guam would become a fully self-governing Commonwealth of the United States under a locally adopted constitution, which would recognize, and be consistent with, the sovereignty of the United States over Guam and the supremacy of the provisions of the United States Constitution, as well as treaties and laws of the United States applicable to Guam. The Guam constitution would provide for a republican form of government, with separate executive, legislative and judicial branches and a bill of rights. No federal laws passed after adoption of the act would apply to Guam without its consent, and a joint commission would regularly consult with the United States and Guam on all matters affecting the relationship between them. The United States would be required to consult with Guam with respect to any plan to increase or decrease activities of the Department of Defense in the Territory and would pay rent on land used by the military.

28. The draft Commonwealth Act also provided that the Congress of the United States would recognize the inalienable right to self-determination of the

Chamorro people, for which provision would be made in the Guam constitution. The United States Government, together with the Commonwealth of Guam, by means of additional federally funded programmes, might promote: (a) the maintenance and preservation of the Chamorro language, culture and traditions; (b) the enhancement of economic, social and educational opportunities for Chamorros; and (c) the training of Chamorros as professionals, skilled workers and leaders in business and industry. Also under the draft Act, the Government of Guam would establish, for the benefit of the Chamorro people, a "Chamorro Land Trust" comprising certain lands returned by the United States before and after the effective date of the Act. The draft Act specified that, notwithstanding the above provisions, no qualified resident of Guam could be deprived of the right to vote in any plebiscite or referendum held to ratify the draft Commonwealth Act and that the continued eligibility of members of minority groups for benefits would not be affected.

29. Under the draft Commonwealth Act, Guam would have greater control over immigration matters than exercised by any of the 50 States or other United States Territories, as well as veto power over federal laws and regulations. It would establish a 200-mile exclusive economic zone. Further, the draft Act would restrain the United States from utilizing the waters surrounding Guam for the dumping or storage of nuclear waste and would oblige the United States to clean up all chemical waste sites used by the military.

30. The draft Act was submitted to Congress for its consideration in February 1988. A Federal Inter-Agency Task Force report released in August 1989 concluded that some provisions of the draft Commonwealth Act were unconstitutional, particularly those relating to the exercise of self-determination by the Chamorro people.

31. In his state of the Territory address of 14 January 1992, Governor Ada reiterated that passage of the draft Commonwealth Act would enable the Territory to increase trade with, and accept assistance from, foreign countries and enable it to control its own marine resources. He reiterated the territorial Government's demand for access to unused land being held by the federal Government.

32. In testimony submitted on his behalf to the House Subcommittee on Insular and International Affairs on 6 February 1992, Governor Ada called upon Congress to enact the draft Commonwealth Act as submitted, as early as possible. He stated that the change of political status would enable the people of the Territory to chart their own future development as well as guarantee that the United States would maintain a stable strategic presence in the Pacific.

33. In her testimony to the House Subcommittee on Insular and International Affairs on 6 February 1992, Stella Guerra, Assistant Secretary of the Interior for Territorial and International Affairs, stated that discussions on a number of subjects, including Guam's Commonwealth proposal, had taken place during 1991 between federal officials and those of the Territory. Tentative agreement had been reached on two thirds of the major provisions of the draft.

34. In January 1993, one day before the change in the Administration of the United States, the Federal Inter-Agency Task Force submitted its report on the draft Commonwealth Act to Congress. According to a release from the United

States Department of the Interior, the report offers compromise language mutually agreed upon by the Task Force and the Commission on Self-Determination. Areas on which the Task Force and the Commission could not agree (about one third of the bill) remain unresolved. Assistant Secretary Guerra was reported as saying that key areas still to be resolved include Guam's request for the veto power over the applicability of federal laws to Guam. 16/

35. According to Governor Ada, the Inter-Agency Task Force had reneged on a number of agreements on the Territory's Commonwealth plan. The Task Force had determined that the Chamorro Land Trust provision of the draft Act was unconstitutional even though the Task Force and the Commission on Self-Determination had agreed on it in 1992. Further, a Guam official noted that the Department of the Interior had determined that the Chamorro Land Trust provision would be consistent with the federal policy to "prevent indigenous minorities from becoming landless and impoverished". 17/

36. In February 1993, Governor Ada warned that the indigenous Chamorros and other inhabitants of Guam were running out of patience in their pursuit of commonwealth status. He warned that if the federal Government was not more responsive to their demands for more autonomy now, they may take a more aggressive tack and seek total independence. 18/

37. Following the release of the report, the newly appointed Secretary of the Interior, in consultation with Governor Ada, endorsed a proposal for a direct presidential appointee to lead the federal Government in commonwealth status talks. 19/

38. In March 1993, in response to fears expressed by the Federation of Asian People in Guam that the draft Commonwealth Act would strip them of their rights and would not include their interests, an official of the Commission on Self-Determination stated that immigrants and indigenous peoples alike would have the same individual rights and constitutional protection under commonwealth status as they do now. 20/

Action taken by the General Assembly

39. A representative of the Governor of Guam and a member of the Organization of People for Indigenous Rights addressed the Fourth Committee of the General Assembly on 13 October 1992. Both speakers stated that no conditions should be placed on the internationally accepted principle embodied in resolution 1514 (XV) of 14 December 1960 and that the Assembly should continue to urge the administering Authority to "give full recognition" to the status and rights of the Chamorro people as provided for in the draft Commonwealth Act. 21/

40. On 25 November 1992, the General Assembly adopted resolution 47/27, an omnibus resolution on 10 Non-Self-Governing Territories, including Guam. In part A of the resolution, which contains the general principles applicable to all the Territories concerned, the General Assembly, inter alia, reaffirmed that it was ultimately for the people of those Territories themselves to determine freely their future political status in accordance with the relevant provisions of the Charter of the United Nations, the Declaration on the Granting of Independence to Colonial Countries and Peoples and the relevant resolutions of the General Assembly. The Assembly called upon the administering Powers, in

cooperation with the territorial Governments, to facilitate programmes of political education in the Territories in order to foster an awareness among the people of the possibilities open to them in the exercise of their right to self-determination, in conformity with the legitimate political status options clearly defined in Assembly resolution 1541 (XV) of 15 December 1960.

41. Furthermore, the General Assembly reiterated that it was the responsibility of the administering Powers to create such conditions in the Territories as would enable their people to exercise freely and without interference their inalienable right to self-determination and independence.

42. In part B, section VI, of the resolution, which concerns Guam, the General Assembly, inter alia, called upon the administering Power to continue to ensure that the presence of military bases and installations in the Territory should not constitute an obstacle to the implementation of the Declaration nor hinder the population of the Territory from exercising its right to self-determination, including independence, in conformity with the purposes and principles of the Charter of the United Nations.

43. The General Assembly also noted that discussions held since 1990 between the Government of the United States of America and the Guam Commission on Self-Determination have resulted in qualified agreements on the provisions of the Guam Commonwealth Act, including agreements to disagree on several substantive portions of the Guam proposal, which are to be forwarded to the Congress of the United States for consideration. The Assembly urged the administering Power to continue to support appropriate measures by the territorial Government aimed at promoting growth in commercial fishing and agriculture, and reiterated its request to the administering Power that it continue to recognize and respect the cultural and ethnic identity of the Chamorro people, the indigenous inhabitants of Guam. The Assembly further noted that 13 years had elapsed since the visit to the Territory of a United Nations visiting mission.

III. ECONOMIC CONDITIONS

A. General

44. Until the Second World War, the majority of Guamanians were involved in subsistence agriculture. After the War, and until the 1970s, employment was generated mainly by United States Department of Defense military bases, which provided jobs mostly in the construction and servicing sectors. The formation of a territorial Government in 1951 provided further employment in non-agricultural sectors, in particular in the public service.

45. Since the 1970s, the dramatic increase in tourism and the related construction, retail and service sectors have been the effective force in the economy's growth.

46. The 1990 Guam Annual Economic Review described Guam's economic outlook as "very promising", ascribing the rapid growth and near-full employment to the tourism and construction sectors. The Review added that in addition to being one of the most populated and advanced islands in the western Pacific, Guam had

an ideal geographical location and a stable banking community and offered liberal incentives for investments. Continuing efforts were being made to promote the development of small-scale light manufacturing and to establish Guam as a financial, educational and administrative centre in the western Pacific. According to more recent information, the combined assets of all financial institutions on Guam increased by more than 27 per cent in 1990 to $4.21 billion as at 30 December 1990. 22/

47. The 1991 Guam Annual Economic Review also attributed Guam's continued prosperity to the construction and tourism sectors. With employment at an all-time high and the opening of many new businesses related to tourism, the Review states that Guam's economy is flourishing. 4/

48. The federal Government plays a leading role in the economic affairs of the Territory. During the period under review, total expenditures amounted to $715 million, of which $368 million was expended for wages and salaries; $116 million for grants awarded by the local government; $89 million for direct payments for individuals; $129 million for procurement; and approximately $13 million for other programmes. 23/

49. Federal allocations for military operations in Guam decreased from the previous $895 million to $480.8 million during the period under review. Of this amount, $352.1 million was allocated for wages and salaries and $128.7 million for procurement of goods and services. 24/ (For further details, see A/AC.109/1149.)

50. Guam's economy has also been experiencing a rapidly escalating rate of inflation. The Territory's consumer price index continued to average twice the national levels of the United States. 25/ The prosperity of the Territory has not resulted in an equitable distribution of income among the island workforce. According to a recent publication of the Guam Department of Labor, compared with 1989, per capita income increased in 1990 by 17.7 per cent to $9,885, while average household income increased by 14.6 per cent to $36,772. 4/ It will be recalled that the Government gave all its employees, one fifth of the total workforce, a $5,440 salary increase for 1990, amounting to an average increase of 20 per cent per worker (see A/AC.109/1111, para. 47).

51. Guam is located in an area prone to typhoons and receives assistance from the federal Government 26/ (for further details, see para. 92).

52. Guam imports almost all of its requirements. The United States has been the traditional supplier, currently selling goods at $250 million to Guam annually. The Territory's exports to the United States are valued at $84.5 million. 27/

B. Public finance

53. The territorial Government's revenue for fiscal year 1991 amounted to $655.3 million and expenditures equalled $526.8 million. The Government therefore recorded a surplus balance of $128.5 million. 28/ The Territory receives funding from a number of departments of the federal Government. During 1993, Guam will receive $50 million out of a total federal insular budget of

$317 million. Of this sum, $48.5 million will be for federal income tax rebates (an increase of $1.5 million compared to 1992) (A/AC.109/1111, para. 50).

54. Territorial officials requested an increase in federal payments for "Impact Assistance", meaning expenses associated with the effect on Guam of the Compact of Free Association between the United States and the Federated States of Micronesia and the Republic of the Marshall Islands, especially expenditures incurred due to open immigration from the Freely Associated States estimated to be $27.9 million for 1989 to 1991. For 1990-1991, Guam received $1 million which was shared with the Commonwealth of the Northern Mariana Islands and $1.5 million for 1992-1993. The Territory receives additional lending from various federal agencies.

55. Territorial leaders have drawn attention to the fact that the Territory's economy is increasingly interdependent with the countries of the Pacific Rim, in particular Japan. The Government is currently drafting its own income tax code to replace the Internal Revenue Code. The new code would be designed to reflect economic conditions of the Asia-Pacific region and offer better incentives to offshore investors.

56. In August 1991, the Guam Senate unanimously adopted a resolution requesting that the authority of the Inspector General of the Department of the Interior be limited to auditing programmes directly funded by federal grants. Only 10 to 15 per cent of the Territory's programmes are federally funded. At the close of the Pacific Basin Development Council Conference held in Hawaii on 5 February 1992, the Governors of Guam, American Samoa, Hawaii and the Commonwealth of the Northern Mariana Islands passed a joint resolution, in which they reiterated the position of the Guam Senate.

C. Land tenure

57. Approximately 30 per cent of the land in Guam is reserved for the Department of Defense, 1 per cent is used by the federal Government for non-military purposes and 19 per cent belongs to the Government of Guam. About 50 per cent is privately owned. There are approximately 10,000 landowners, 94 per cent of whom own less than two hectares of land each (see A/AC.109/1069, para. 42).

58. According to the 1990 Guam Annual Economic Review, there were 35,000 land parcels on Guam with a total appraised value of $1.1 billion.

59. As previously reported (see A/AC.109/1017, para. 55, and A/AC.109/816/Rev.1, para. 34), in the mid-1970s, some 1,400 Guamanians who believed that they had not been adequately compensated for land appropriated by the United States military after the Second World War brought a class-action suit in United States federal courts seeking damages of up to $300 million. In 1984, the majority of plaintiffs decided to accept an out-of-court settlement of $39.5 million, which had been ruled fair by a federal district judge. Since then, because urban and rural landowners have been unable to agree among themselves upon a formula for apportioning the settlement, few disbursements have been made. In November 1988, it was reported that disbursements totalling $1.1 million had been distributed to almost 100 landowners.

60. According to the Guam Commission on Self-Determination, the majority of litigants have not accepted the settlement and are pursuing separate legal action against the federal Government.

61. In a related development, in 1977, in response to expressions of dissatisfaction by Guamanians, the Department of the Navy, in cooperation with the Department of the Air Force, prepared a study known as the Guam Land Use Plan, recommending the release of 2,100 hectares of surplus land held by the military so that it could be developed. The Department of Defense agreed to release 1,416 hectares.

62. The Navy transferred to the territorial Government 190 hectares of land on Cabras Island, as well as the land used for airport expansion at the Naval Air Station, several parcels at Apra Harbour and 84 hectares of land and facilities at the Hotel Wharf.

63. In a statement to the Special Committee's Subcommittee on Small Territories on 29 July 1991, the representative of the United States stated that, during 1990 and 1991, 150 hectares of excess federal lands had been transferred to the Government of Guam to be used for the construction of a waste water treatment facility, a new high school and a new campus for the Guam Community College. In addition, 8 hectares of submerged lands off the south-east coast of Guam had been transferred for use as part of the Cocos Island Public Park (see A/AC.109/1111, para. 60).

64. Press reports indicate that legislation has been introduced in the United States Senate that would authorize the transfer of 1,214 hectares more of excess defence land to the territorial Government upon its institution of a land-use programme. During 1992, the territorial Government conducted public hearings to initiate such a land-use programme.

65. The Superior Court of Guam has ruled that the territorial Government must turn over its unused land, which constitutes almost a quarter of the island's land area, to a commission which may then lease it to indigenous Chamorros. According to press reports, the acting Governor said he would comply with the Court order which applies to all local government land that is not being used or which is not reserved for use. The ruling is reported to be in line with a 1975 land trust act which allows Chamorros to lease the land for a nominal sum. 29/

D. Agriculture and fisheries

Agriculture

66. Today, Guam's agricultural sector is the smallest sector in the economy, utilizing about 162 hectares of land and employing only 370 persons out of a total workforce of 66,390. The average annual earnings of these workers is reported to be $14,529, an improvement over past years where the average earnings were reported to be $9,552, far below the average wage for the Territory. In 1988, the total value of agricultural produce amounted to just over $7 million.

67. Guam has relatively poor natural conditions for commercial agriculture. Rainfall can be torrential and is often accompanied by destructive winds. The soil lacks minerals and nutrients needed for satisfactory agricultural production.

68. Furthermore, the small size of plots is an obstacle to the use of machinery and, in many cases, deters farmers from purchasing capital equipment. Transport, storage and processing facilities for agricultural products have, until recently, been almost non-existent and marketing efforts fragmented.

69. To increase output, the Government's Agricultural Development Services continues to lease land owned by the territorial or the federal Government that is neither required for public use nor reserved for other purposes. 30/

Fisheries

70. Guam is considered a natural location for a major fishing industry by virtue of its excellent harbour and port operations; infrastructure for freezing, storage and handling of fish; an adequate fuel supply; and ship repair facilities. None the less, it serves mainly as a tuna transshipment centre. Other activities are small scale.

71. In 1991, tuna transshipment from Guam decreased from 12,992 metric tons to 9,627 metric tons. 31/

72. Guam is a member of the Pacific Fisheries Development Foundation, a regional organization which assists members in the management, development and conservation of tuna resources, and of the Western Pacific Regional Fishery Management Council which advises on management within the exclusive economic zone to prevent overfishing and to encourage economic development.

73. According to the 1991 Guam Annual Economic Review, aquaculture represents great untapped potential for the Territory's economy. The first experimental and demonstration farm was established in 1973 and the first commercial operation began in 1975. Since then, the industry has grown significantly and in 1991 the value of commercial aquaculture production totalled $1.08 million. Since Guam imports over $8.5 million worth of fisheries products, the Review believes that aquaculture production could replace a significant portion of these imports. 32/

E. Tourism

74. Tourism continued to be the main factor in the economy's growth during the period under review. Despite a large number of typhoons that afflicted Guam recently, more tourists visited the Territory than in any previous year. In 1992, tourist arrivals totalled 876,742, a 19 per cent increase over the slump caused by the situation between Iraq and Kuwait in 1991. 33/ Visitors from Japan accounted for the highest percentage of the total number of tourists. Tourists from the Pacific region increased considerably following the inauguration of direct air service to Taipei and Hong Kong. In 1991, Guam's hotel rooms increased to 5,894 or approximately 1,000 rooms more than the

previous year while employment in hotels increased by 1,390 jobs to 5,550, or 33 per cent over the previous period. 34/

75. Hotel occupancy taxes amounted to $18.3 million in 1992, compared to $15.8 million in 1991. 35/

76. The development of the tourism industry is estimated to be the main factor in the increase of retail sales to over $1 billion per annum. The territorial Government is designing a strategic marketing plan to encourage the development of new tourist attractions.

77. According to the 1991 Guam Annual Economic Review, Guamanians have expressed concern about uncontrolled tourism and the fact that income generated by tourism has not been directed towards improving infrastructure, public services and facilities to support the rapid growth of tourism, which has doubled over the last five years. Concern was also expressed about the growing cost of living and housing brought about by increased tourism. 36/

F. Industry and commerce

78. As one of the more populated and westernized islands in the western Pacific, Guam acts as an urban and transshipment centre. It imports almost all of its finished trade goods with only a small portion attributed to domestic manufacture. The small-scale manufacturing sector includes firms engaged in wood-carving, bag-making, boat-building, water-bottling and in the production of greeting cards, chocolate, clocks, surf boards and tourist souvenirs. Larger-scale activities include a milk processing plant, printing plants, bread and pastry factories, a watch company and a textile factory. The sector currently accounts for approximately 4 per cent (1,960 employees) of the total private sector employment force in the Territory. 37/

79. For over a decade, income generated from the retail sector has contributed over $1 billion per year to the more than $4 billion total gross business receipts for the period under review. During 1991, the combined retail and wholesale sectors represented approximately 20 per cent of the total payroll and employed 13,330 persons out of a labour force of 66,390. According to the 1991 Guam Annual Economic Review, the high retail and wholesale receipts are attributed to tourism, with estimated spending for each tourist amounting to $1,200 in retail establishments while visiting the Territory. This expenditure provides Guam with annual revenues of $750 million. 38/

80. Headnote 3 (a) of the United States Tariff Code permits local manufacturers to import raw materials tariff-free provided that at least 30 per cent of the value of the final product is added in Guam. Headnote 3 (a) also permits exports to United States markets free of tariffs.

81. Under the Generalized System of Preferences, Guam may benefit from preferential rates for its exports to the United States, Australia, Japan and Canada and the States members of the European Economic Community.

G. Transport and communications

82. Guam is serviced by a number of international airlines: Continental, Air Micronesia, Northwest Airlines, Japan Airlines, All Nippon Airlines, Hawaiian Airlines, Air Nauru, Korean Air and Philippine Airlines. In 1991, Japan Asia Airways and Korean Air initiated services to the Territory. Flights to Japan increased 11 per cent to 105 flights per week. Weekly flights to other destinations totalled 98. 39/

83. During the period under review, Continental Air Micronesia moved its headquarters from Hawaii to Guam in recognition of Guam's increased prominence as a tourist destination.

84. During 1991, the Guam Airport Authority undertook a $250 million expansion and renovation project and earned $21.3 million in revenues, a 20.5 per cent increase over 1990. Operating costs and expenses were $15.3 million with net earnings of $6 million. 40/

85. Since July 1991, officials of the Territory and those of the Defense Department have been engaged in negotiations aimed at transferring land of the United States Naval Air Station to Guam's civilian airport. At present, the civilian airport shares facilities with the naval air station. The transfer would allow for the expansion of Guam's commercial airport operations (for further details see A/AC.109/1149).

86. Apra Harbour is a major port in the western Pacific. Ten shipping lines provide direct service to Hawaii, mainland United States, Asia and the western Pacific. In 1990, 3,073 vessels called at the port. 41/

87. Public bus transport is provided to all 19 villages throughout the Territory by the Guam Public Transit System, an autonomous agency of the Government of Guam.

88. Telephone installations increased from 38,029 primary lines in 1990 to 42,033 primary lines in 1991 resulting in a 27 per cent increase in revenues - from $27.6 million in 1990 to $35.2 million in 1991. Technological advances in the Territory included the installation of a second fibre optic network and a new cellular system. 42/

89. Guam has telephone connections to North America via transpacific submarine cable installed by Fibre Optic Communication. International telegram and telex, telecopy and data transmissions services are also available.

IV. SOCIAL CONDITIONS

A. Housing

90. The 1990 census states that there are 35,223 housing units in Guam, representing an estimated 25 per cent increase over 1980, to keep pace with the population growth. Construction of both private houses and condominiums, as well as of businesses and hotels, is expected to continue to increase. During 1991, the Guam Department of Public Works issued 670 new residential permits valued at

$106.7 million, representing a 20 per cent increase in number and a 59 per cent increase in value. In addition, 37 permits for apartments and dormitories valued at $86.5 million were issued, representing a 108 per cent increase in value over the previous year. 43/

91. The 1991 Guam Annual Economic Review notes that housing costs in the Territory, particularly rental costs, correspond to the most expensive urban areas in the United States. Estimated monthly housing costs on Guam totalled approximately $900, or 24 per cent higher than the average monthly rental costs in the United States. The Guam Housing and Urban Renewal Authority provides subsidized housing for low income families. 44/

92. Guam is often subject to typhoons because of its location. In August 1992, Typhoon Omar caused an estimated $500 million in damages. The President of the United States issued an oral presidential disaster declaration making available immediately federal grants and loans for temporary housing and reconstruction. 45/

B. Public health

93. Medical care is generally of a high standard and health conditions are good. The 158-bed, government-owned Guam Memorial Hospital was opened in 1976. In addition, there is the United States Naval Hospital and some 17 medical and 7 dental clinics. The Department of Public Health and Social Services maintains a pharmacy, a nursing section, a maternal child health and family planning centre and a paediatric clinic. A new mental health facility is under construction.

94. Some 140 physicians practise on Guam in several fields of specialization. There are over 30 dentists.

95. A shortage of doctors was reported in all areas of health care. The doctor-to-population ratio for 1991 is reported to be 13.1 per 10,000, or a little better than half that in the United States in 1987 (21.4 doctors per 10,000).

96. At the Second Governor's Conference on Health, held in October 1991, 114 health professionals from government, military and private sectors identified 13 areas that needed improvement and attention, including: control of communicable diseases, protection from hazardous and toxic materials, access to comprehensive health care services, environmental protection, reduction of drug and alcohol abuse, and maternal and child health.

97. Reports indicate that 5 per cent of the population in Guam are carriers of hepatitis B, which is endemic to the region. The Centers for Disease Control in Atlanta reported that the region in general and Guam have registered a very low incidence of acquired immune deficiency syndrome (AIDS) cases (only 10 identified cases). The public, however, has been made aware of the disease.

C. Labour

98. In December 1991, the total civilian labour force was reported to be 66,390, of which 46,670 or 70 per cent, were in the private sector and 19,720 or 30 per cent, were in the public sector. The Government of Guam employed 12,660 and the federal Government employed 7,060 exclusive of non-resident aliens and members of the United States Armed Forces and their dependants. 46/ There were a total of 10,316 non-immigrant aliens as of December 1991, mainly from the Philippines, Japan, the Republic of Korea and China. The majority of the labour force is employed in the private sector. The federal and territorial Governments employed 18,500 in 1991. The unemployment rate was 2.8 per cent in 1991.

99. According to several press reports, during 1991 and 1992, a significant number of complaints were registered regarding widespread abuse of alien workers by contractors and brokers. In response to the complaints, labour officials conducted on-site inspections at construction sites and labour camps, and issued a large number of citations of violations and penalties to the businesses concerned.

D. Law and order

100. During 1991, the number of violent crimes decreased to 318 from 382 reported for the previous year. Other crimes, including burglary, larceny and theft, fell from 4,622 in 1990 to 4,496 in 1991. During 1991, the reported overall crime rate fell by 7 per cent and the Territory reported a 100 per cent conviction rate in prosecuted cases. 47/

V. EDUCATIONAL CONDITIONS 46/

101. Education is compulsory for children between 6 and 12 years of age. The Territory has established an extensive public and private educational system. The public educational system includes 24 elementary schools, 6 middle schools and 5 high schools, the University of Guam, and the Guam Community College. Private schools are operated by the Catholic, Episcopalian and Seventh Day Adventist churches. There are also two private business colleges.

102. Total school enrolment in 1991/92 was 34,278, of whom 27,863 attended public schools and 6,415 attended private schools. A total of 1,172 pupils graduated from high school in 1991. Elementary and secondary school teachers numbered 1,219 during the same period. The budget for the operation of public schools amounted to $98.1 million or $3,774 per pupil (25,942) in 1990/91. 48/

103. The Guam Community College reported that in 1990/91, some 7,000 high school and adult-post secondary students were enrolled in courses which included apprenticeship in construction and hotel/restaurant industries. 49/

104. The University of Guam which is accredited by the Western Association of Schools and Colleges of the United States offers graduate programmes in education and public administration and operates a marine research laboratory.

The University has a Micronesian Area Research Center which has an extensive collection of historical documents.

105. For the academic year 1989/90, the University of Guam reported an enrolment of 1,499 full-time students and 886 part-time students. Of this number, 281 were students from the Trust Territory of the Pacific Islands.

Notes

1/ The information contained in the present paper has been derived from published reports and from information previously transmitted to the Secretary-General by the Government of the United States of America under Article 73 e of the Charter of the United Nations.

2/ 1991 Guam Annual Economic Review, Department of Commerce, Guam.

3/ United States Department of the Interior Fact Sheet, August 1991.

4/ 1991 Guam Annual Economic Review, p. 1.

5/ Ibid., p. 103.

6/ Ibid., p. 9.

7/ A/C.4/47/SR.3, paras. 42-46.

8/ 1991 Guam Annual Economic Review, p. 9; 1990 Census of Population and Housing: Social, Economic and Housing Characteristics - Guam, United States Department of Commerce, table 49.

9/ United Nations press release GA/COL/2833, 1 May 1992.

10/ Radio Australia News Summary, 22 March 1993.

11/ 1991 Guam Annual Economic Review, p. 31; and Pacific Daily News, 8 February, 26 and 27 April 1992.

12/ Washington Pacific Report, 15 December 1992; Pacific Daily News, 6 January 1993.

13/ Pacific Islands Monthly, December 1992; Radio Australia News Summary, 9 November 1992.

14/ Pacific Daily News, 1 January 1993.

15/ Pacific Magazine, January/February 1993.

16/ Pacific Daily News, 21 January 1993.

17/ Washington Pacific Report, 15 February 1993; Pacific Daily News, 21 January 1993.

18/ Washington Post, 10 February 1993.

19/ Pacific Daily News, 10 February 1993.

20/ Ibid., 18 March 1993.

21/ A/C.4/47/SR.3, paras. 35-46.

22/ 1991 Guam Annual Economic Review, p. 70.

23/ Ibid., p. 30.

24/ Ibid., p. 31.

25/ Ibid., p. 27.

26/ Pacific Islands Monthly, October 1992.

27/ 1991 Guam Annual Economic Review, p. 203.

28/ Ibid., p. 2.

29/ The Washington Pacific Report, 15 February 1993; and Radio Australia News Summary, 11 February 1993.

30/ 1991 Guam Annual Economic Review, p. 53.

31/ Ibid., p. 64.

32/ Ibid., p. 55.

33/ Pacific Daily News, 27 January 1993.

34/ 1991 Guam Annual Economic Review, pp. 82-87.

35/ Quarterly Economic Review, Economic Research Center, Department of Commerce, Government of Guam.

36/ 1991 Guam Annual Economic Review, p. 83.

37/ Ibid., p. 73.

38/ Ibid., p. 79.

39/ Ibid., p. 82.

40/ Ibid., p. 38.

41/ Ibid., p. 39.

42/ Ibid., p. 44.

43/ Ibid., p. 15.

44/ Ibid., p. 18.

45/ Pacific Islands Monthly, October 1992.

46/ 1991 Guam Annual Economic Review, pp. 23, 121 and 122.

47/ Ibid., p. 206.

48/ Ibid., p. 113.

49/ Ibid., p. 24.